

# Connecticut Industry

## "Doomsday" Today

The citizens of the State of Connecticut have an unusual opportunity to straighten the jagged line which has from the beginning represented the inequalities in tax burdens among groups of taxpayers and among individual taxpayers. Unusual because of the type of men who are members of the Commission and whose names commend themselves to every group in the state.

For some years past, there has been a general clamor for the relief of the tax burden on real estate. In this the manufacturer has a vital interest, but he must also recognize the fact that unless he individually and as a group makes definite recommendations, others, who would shift the tax burden to him, will provide the layout for him. The manufacturer will be called upon to decide whether or not he is in favor of a centralized control of assessment, with the setting of the mill rate by local government. He must determine whether or not he is in favor of a personal income tax, a sales tax, or any other form of new taxation or modification of existing tax systems.

The Manufacturers' Association of Connecticut will sponsor tax meetings in various parts of the State, to the end that the sentiment of the manufacturers will be crystallized and to the further end that every possible help will be extended to the State Tax Commission, the members of which are giving unstintingly of their time and energy, without compensation, to the solution of this most difficult problem.

I hope that the full cooperation of every manufacturer in the State will be forthcoming.

E. KENT HUBBARD

## February, 1934

A Fortnight In Washington



Selecting Commission Sales  
Representatives

*By Walter A. Allen*

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# T. A. D. JONES & CO., INC., OFFERS A NEW SERVICE TO INDUSTRY ▶

**I**NDUSTRIAL FUEL OIL is a term now used frequently. There is much discussion as to its merit and application. T. A. D. Jones & Company, Inc., realize that industry is primarily interested in the efficiency of its fuel rather than its form. Therefore, in order to continue its enviable position as an authority on the questions of industrial fuel, the Company has gone into the matter of Industrial Fuel Oil thoroughly.

### COAL OR OIL

We would like you to feel free to discuss this question with us fully, knowing that you will receive an unbiased opinion and expert advice. Solid facts are the basis of any analysis, and such facts were the foundation of our decision to erect one of the largest oil terminals in New England, capable of storing the entire cargo of an ocean going tanker. Such boats will come to New Haven from southern ports near the oil fields and reshipment will be made through our terminal by rail, barge or truck. Plans for this project have been completed.

### CONSULTANT

Associated with our Company, in the capacity of advisor on matters pertaining to Industrial Fuel Oil, is Mr. J. H. Dockendorff. For many years he has cooperated with engineers of industrial plants helping to solve problems of fuel. He will approach your problem from a users viewpoint, and will adhere closely to the facts as they are found in each individual condition. He will be in a position to advise as to the proper fuel which would be the most economical.

### THIS SERVICE IS YOURS

Use the full facilities of T. A. D. Jones & Company, Inc. They have been made possible by your continued cooperation and will grow more valuable to you as you appreciate their possibilities. In extending our field of utility to include Industrial Fuel Oil, we are keeping abreast of the times and increasing our value to you as an efficient source of supply for fuel.

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**T. A. D. JONES & CO., INC. - 205 CHURCH ST., NEW HAVEN**

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# Connecticut Industry

for February, 1934

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Manufacturers' Association of Connecticut, Inc.

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## A Fortnight In Washington

**The President's Message.** After the usual formalities of opening day in Congress, President Roosevelt delivered his first message to a joint session.

In his most persuasive radio voice he counseled on the state of the Union, of the excellent condition of the nation's credit, of the present impossibility of stabilizing international exchange, of millions reemployed, of the abolition of child labor, of the improvement in agriculture and of the peaceful readjustment of our national life. Next day he transmitted his budget message, predicting a balanced budget by July 1, 1935 and thereby reassured those progressives who still remain conservatives in fiscal matters. His bold announcement of more than a \$7 billion deficit for the next 18 months stunned and left inarticulate all but a few in and out of Congress. It was the largest peacetime budget ever prepared, yet after a few days expressive adjectives chameleon-like turned into reasons why the nation wasn't going to pot.

Said one conservative senator, "the nation can stand a \$32 billion debt". Others reasoned audibly that after all Joe Citizen in the U. S. would pay far less than his British cousin even with the new budget's debt-

raising program. The President had made a psychological ten-strike by telling the worst while injecting between the lines plausible hope that deficits would be far less than he had anticipated.

Net result of the President's outmaneuvering fear itself, that flourished in both Congressional and lay minds before Congress swung a door, still retains a Congress subservient to the Rooseveltian desire to swing further toward industrial control and a planned society, leaving unblemished his personal popularity with Mr. Average Citizen.

**Budgets.** The expenditures enumerated in the President's message for the fiscal year ending June 30, 1934 fall into broad terms as follows:

General:

Departmental .....	\$2,899,116,200
Legislative .....	17,718,500
Independent establishments .....	616,857,067
Total .....	\$3,533,691,767
Less public debt retirements .....	488,171,500
Total general .....	\$3,045,520,267

**Emergency:**

Public Works Administration .....	\$1,677,190,800
Agricultural Adjustment Adminis- tration .....	103,250,000
Farm Credit Administration .....	40,000,000
Emergency conservation work .....	341,705,600
Reconstruction Finance Corporation .....	3,969,740,300
Tennessee Valley Authority .....	19,000,000
Federal Land Banks .....	52,350,000
Federal Deposit Insurance Corpo- ration .....	150,000,000
National Industrial Recovery Ad- ministration .....	4,250,000
Total emergency .....	\$6,357,486,700

Total general and emergency, less  
public debt retirements ..... \$9,403,006,967

For the fiscal year ending June 30, 1935, expenditures fall into the following items:

**General:**

Departmental .....	\$3,202,074,900
Legislative .....	18,734,500
Independent establishments .....	542,466,600
Total .....	\$3,763,276,000
Less public debt retirements .....	525,763,800

Total, general ..... \$3,237,512,200

**Emergency:**

Public Works Administration .....	\$1,089,883,100
Agricultural Adjustment Adminis- tration .....	5,000,000
Emergency conservation work .....	65,190,000
Reconstruction Finance Corporation (a) .....	480,436,600
Tennessee Valley Authority .....	31,000,000
Federal Land Banks .....	12,650,000
Total emergency .....	\$ 723,286,500

Total, general and emergency, less  
public debt retirements ..... \$3,960,798,700

(a) Excess of credits—deduct.

The President's statements on the opening day that "in the process of recovery, we shall seek to move as rapidly as possible from direct relief to publicly supported work, and from that to the restoration of private employment", paved the way for his startling budget digits enumerated the following day. The estimated revenues of the government, principally based on the guesses of the Federal Reserve Board's index of industrial promotion, plus processing taxes, were announced by the President at \$3,260,000,000 for the fiscal year 1934 and \$3,975,000,000 for 1935. Figures were based

on guess that business in 1934 would average about the same as in 1931 and that in 1935 it would approximate, plus a little, that of 1930. As will be seen by comparison with the budget figures, both of these income estimates exceed regular outgo, when omitting debt retirement in 1934 and also when counting it in 1935.

**Accomplishment.** As customary, hundreds of bills have been poured into the hoppers of the Senate and House with over 200 assigned to House Committees. But from all indications this Congress will do the job mapped out for it by the President, then retire very shortly afterward with few bills of a strictly private or sectional nature being transformed into law. In short, it will likely buttress the dual Administration program of, (1) meeting the present emergency, (2) reconstruction through closer government supervision of business, and then go home, leaving the President and his chiefs the job of administration.

First to jump the Congressional hurdle was the liquor tax bill, providing a levy of \$2 a gallon on spirits, and from 10¢ to \$1.10 a gallon on wines not over 24% alcohol by volume (estimated revenue—\$500 million). A Senate, aroused against debt defaulters, passed an amendment to place heavy additional imposts against beverages from nations behind on their debt payments. It later reconsidered and threw it out at the request of the President who feared it a hindrance to his tariff program. Other amendments added by the Senate, with which the House concurred, would permit newspapers and periodicals to circulate in dry states with liquor advertisements and reduce the brewery occupational levy from \$1,000 to \$100.

Next of import was the passage by the House of the administration bill to guarantee the principal and interest of \$2 billion worth of farm loan bonds which was sent to the Senate without a record vote.

Passed under suspended rules was a bill, H. R. 6804, extending the life of the R.F.C. for one year and giving it \$850 million added capital. Although there was considerable disappointment evidenced over the impossibility of presenting amendments to the bill providing for more speedy and direct loan aid to industry, members of the Committee on Banking & Currency expressed a willingness to entertain such amendments later when more time could be given to their consideration.

**Spending.** Three days after the President's message placing the control of all emergency expenditures in the hands of Budget Director Douglas, the order was rescinded—"modified" as the press statement read. Messrs. Tugwell, Ickes and Hopkins were irate over

*Please turn to page 17*

# Selecting Commission Sales Representatives

By WALTER A. ALLEN, Pres.,  
The Federated Sales Service

**T**HAT there has been a trend—one might almost say a stampede—on the part of manufacturers to the use of commission salesmen in the place of salaried men, no one who is in touch with conditions in the sales departments of manufacturing plants will deny. This being the case, a few words of warning and perhaps some unsolicited advice will not be amiss at this time.

The "Pilgrim's Progress" of your products on their way to the ultimate consumer, be that an individual or a manufacturing organization, is beset with enough difficulties without unwittingly adding others.

It is well to recognize at the start that the use of the commission method of paying your sales force is not of itself a guarantee of lowered cost of distribution, the reason why such change is usually made. Many a manufacturer has found to his surprise and grief that such a change has been a costly experiment. The sad part of this experience is that in most cases the fault did not lie with the method but with its operation by the manufacturer.

## Errors of Judgement

One of the first thoughts of the manufacturer when he is forced (or does turn) from the salary to the commission form of remuneration is that he will keep his present sales force, simply changing from salary to commission compensation. He explains to the men the need of the change and earnestly urges them to go ahead, put their whole heart and effort into the job of getting orders for their own good and all will be well. Then many of them spoil the entire possibility of success on the part of the salesmen by telling them that they will be put back on a salary just as soon as they produce enough business to make it possible for it to be done. The manufacturer who tries this experiment is going to learn several interesting facts.

First, he is going to learn that it takes a real gifted sales manager (which most manufacturers are not) to



Walter A. Allen

keep the fighting spirit in a group of salesmen who are suddenly confronted with the system of being paid for what they do rather than for what they hope to do in the way of getting signatures on the dotted line. It takes a real salesman to face the loss of a weekly or monthly pay check, accepting in its place the uncertainty of his earnings on a commission basis.

Second, he, the manufacturer, is going to learn (in the average case) that he has been paying good salaries to some men whom he has called salesmen that are not salesmen at all. They were merely order takers, swimming with the current.

The manufacturer is going to learn a number of other unpleasant facts not the least of which is that, out of every ten salaried salesmen only one can or does make good on a commission basis.

So after a few months, the average manufacturer is going to be very much unsold on his "noble experiment". But his necessity for cutting sales costs is greater than ever.

## The Problem of Selection

His next thought—"I'll grab off a bunch of good manufacturers representatives and solve this whole darned sales question at once and for all time". In seventy-five percent of such cases (which I will refer to later) his whole thought is centered on how cheaply he can get his goods sold; how much he can save in his selling costs; the favor he is about to confer on some lucky sales representatives. Not once does he look at his proposition from both angles, the sales representatives'

as well as his. Not once does he ask himself if his proposition is such that a manufacturers sales representative or agent can earn a fair profit for his labor and experience.

"Why, of course any sales agent will be glad to take on my line. Haven't I had many letters from them asking for the right to sell my fine products in their territory?" Now he is going to do them a favor by letting them have his line. Such are the thoughts of the average manufacturer.

The next step of the average manufacturer to "grab off some good manufacturers agents" is one of three usual means of securing sales representatives. The three usual means are as follows—He writes to his (now) good friend Jack Jones who represents the leading trade publication in his industry and asks for a list of good manufacturers agents operating in that particular field.

Many trade publications have such lists which they compile as a service to their advertisers. There is little or no thought of service to the manufacturers agent. If there was, the publisher would go at it a bit differently. We have never heard a publisher, in all our years of experience with such lists, claim that their list or that all those listed are good salesmen. Most publishers will list any man or group of men who say that they are manufacturers agents regardless of their experience or other qualifications. The list is just a list and nothing more.

Armed with this list, which the publisher has kindly furnished him, the manufacturer selects ten or a dozen men, located in territories which he wishes to cover. He writes a letter to each one. In due time each manufacturers agent, or at least a good percentage of them, answer stating that they are interested in his line. Then follows a letter from the manufacturer asking for references, the territory covered and how often covered. All manufacturers agents have good references. We know of one, who boasts that he represents thirty-two manufacturers, whose references are the finest, yet he is hardly able to make a living. They have a territory, and cover it frequently (at least they all say so). This is, in ninety percent of the cases all the checking up on a manufacturers agent by the manufacturer, and the territories are allotted. Then the manufacturer sits back and pats himself on the back for a good job done.

But the purpose of appointing such agents is to get orders. For some strange reason very few orders trickle through. After the manufacturer has paid commissions on a few orders that he would have had from old customers he begins to question the value of manufacturers agents.

The only variation from the foregoing is the initial

step. Instead of securing a list of manufacturers agents from a publisher the manufacturer may decide to run some classified advertising in his trade publications. The only real value of this method over the list idea is that the manufacturer at least knows that those who answer his advertising are alive which is frequently not the case with those in many lists.

Another variation of the method of obtaining names of good (?) manufacturers agents is by consulting another manufacturer. Mr. A, a manufacturer, meets Mr. B, another manufacturer at lunch or on the train. The talk quickly turns to business and Mr. A remarks that he is not getting much out of the Chicago territory because he hasn't been able to get a good man there. Mr. B promptly suggests that Mr. A get in touch with Henry Smith who has done a bang-up good job for him. Mr. A immediately makes a note of the good manufacturers agent's name and address. But unfortunately, the fact that Henry Smith has made good for Mr. B does not in any way mean that he will be a success for Mr. A. Usually he is not unless more than the usual check-up is made and Mr. A is extremely lucky.

Another method of securing manufacturers agents, which is not used to any extent because of the expense, is that of the manufacturer packing his bag and sample kit and going out into the field to select by personal contact the men who are to represent his company. Sales managers sometimes do this and are amazed at their lack of success. The lack of success in cases of this sort is due to the same reason as in the other methods.

We have seen many manufacturers who can take a product made by some other manufacturer and tell every step made in producing the article, and also estimate within a very close range the production cost, yet they cannot build a sales force to save their necks.

Thousands of manufacturers have tried out the use of manufacturers agents and a large part of them have made up their minds that there is no such thing as a good sales representative working on a commission basis. Why is it that the percentage of failures is so high when manufacturers agents are used? There have been enough manufacturers who have been very successful in the use of manufacturers agents to make the subject worth careful study, especially in view of the fact that a force of good manufacturers agents do make it possible for a manufacturer to reduce his selling costs considerably below that possible when salaried salesmen are used.

A study of this subject for over fifteen years has led us to some very definite conclusions. These conclusions have stood the test of every-day practical application,

and in the main have proved sound. Therefore, what follows is not just belief but facts.

Manufacturers may be divided into two classes—those who are production minded and those who are sales minded. It is but natural that the one who is production minded should find it rather difficult to place the proper importance on matters of selling and to get the proper perspective on the psychology of a salesman's make-up. On the other hand, it is just as natural that a sales minded manufacturer should find it as difficult to place the proper importance on the details and methods of making an article and should over-stress the importance of his viewpoint. Yet, we find both kinds of men at the head of our manufacturing plants with the same sales problem confronting them. Obviously the sales minded manufacturer should have the least trouble of the two in solving the problem of selecting a force of good sales representatives. Our experience, however, does not confirm that this is the case.

In the selection of a force of sales representatives there are certain fundamental factors that must be observed as strictly as in the use of a formula in making a product. It is absolutely foolish to think that one can have anything but failure unless these factors are considered each and every time a sales agent is selected.

While it is true that there are a great many men who call themselves manufacturers agents who are not worthy of any such name, it is equally true that there are a considerable number of manufacturers agents who are very much worth while and who can do a much better job for the average manufacturer than a salaried salesman.

#### Factors in Checking Agents

The first factor to be considered in the selection of a manufacturers agent is his record as a salesman. The average manufacturer has no time or money for experimenting with a man who has turned from some other trade to that of salesman. Because, there are so many worthless manufacturers agents the good ones must be subjected to the same rigid check-up as the poor ones. It is not wise to take any statement as all wool and a yard wide from a sales representative you do not know. Therefore you must check up on your applicant's record of past performance with real care. When you are satisfied (and don't be so until you have proved it) that the record shows sales ability, then consider the second factor.

This is a factor that we have rarely if ever heard of a manufacturer checking up on—that is the sales representative's ability to finance himself to cover his territory. Obviously a man may be a real salesman and still be worthless if he has not money with which to pay his way around a territory to offer your goods

for sale. If the man is exceptionally good and the manufacturer is willing to put up expense money this difficulty can be overcome, but then you are getting away from the clean-cut commission basis. It is these deviations that sometimes lead to the failure of the method. This factor of the man's financial ability is of prime importance. Care should be taken to get the facts.

The third factor is the sales representative's territory—not so much what it is as *does he cover it?*

Sales representatives have a habit of invariably asking for more territory than they can or do cover. One of the main reasons for this is that in the event that they secure the sale of a product or line of products that go exceptionally well, they want to have plenty of territory in which to expand their efforts. We have yet to hear of a sales representative asking for too little territory. After you have a description of his territory from the sales representative make sure that he actually does cover that territory before you give him your products to sell.

The next factor to consider is the applicant's standing in his territory. Is he in good standing with the buyers? That involves a number of things such as—does he change his lines often; does he represent his lines for what they are without embellishment; does he represent both sides fairly, and other important conditions, such as proper quotations, etc. One can readily see that a man may be a good salesman and have the money to finance himself and yet have such a poor standing with the trade as to make him worthless.

Then we come to the factor of the kind of trade the man calls on. Does he call on the buyers (and know them) who buy your type of products? If you want business you cannot afford to wait while a man is cultivating (to him) a new group of buyers. Make sure that your man is selling other lines that are closely allied with yours.

Now consider the lines that your applicant is selling at the present time. It is of utmost importance to you that none of your representatives are selling competitive products. It is possible for one representative to sell two lines of the same products if they are in two different price brackets, but it is at best a risky set-up as sooner or later, one of the lines gets more attention than the other, depending on which has the lesser sales resistance.

We have known of not one but several cases where so-called manufacturers agents or sales representatives have taken on a line of products to bottle up competition on a line they already have. It is needless to say that this is an important factor.

*See page 14*

# Industrial News and Views

## News • • •

### Expanding Southward

Powdrell & Alexander of Danielson, Conn., has just leased the first floor in an industrial building at 413 Church St., Charlotte, N. C., and is now equipping it with modern machinery with a capacity of 1,000 finished curtains a day. Kenneth Moore of Danielson will be superintendent of the plant, which is expected to serve the states of North and South Carolina, Tennessee, part of Virginia, Georgia, Florida, Alabama and Mississippi. Rufus W. Hicks, who has represented the company in the southeast for the past ten years, has been named as general manager.

### Silk Industry Curtailed

General Johnson required a 25% curtailment of production of broad silks, dress silks, underwear silks and special fabrics for thirty days beginning December 21, 1933. Under the order which was promulgated with a view of providing employment for a larger number of workers, employers were permitted to shorten their daily shifts or close down a sufficient number of whole days, but were not permitted to operate machinery more than an average of sixty hours weekly.

### Officers Renamed at Lux

All officers and directors of the Lux Clock Company were re-elected at a stockholders meeting held January 16 in Waterbury. Officers re-elected were: Chairman of the Board, Arthur A. Tanner; President, Paul Lux; Vice-Presidents, Herman J. Weismann and Alexander H. Hauser; Secretary, Harry A. Soper; Assistant Secretary, Herman F. Lux; Assistant Treasurer, Fred Lux. Directors include the above mentioned officers and Frank Hayes, William Riether and John J. Walsh.

### Rhode Island Man Named Agent of Grosvenordale Co.

J. Frank Morrissey, superintendent of the Interlaken Mills at Harris, R. I., has recently been appointed agent of the Grosvenordale Co., cotton textile manufacturers operating mills at Grosvenordale and North Grosvenordale, Conn. Mr. Morrissey will fill a vacancy caused by the death in December of John F. Reardon, Sr.

The new agent of Grosvenordale has been in the textile industry for more than 30 years, having started in that line of work in 1902 at the Central Mills in Southbridge, Massachusetts, now known as the Hamilton Woolen Co. In 1924 he became superintendent of the Interlaken Mills, a post which he resigned to take over his new position at Grosvenordale on February 1, 1934.

### Safety Car Workers Get Increase

Employes of the Safety Car Heating and Lighting Company of Hamden, Connecticut, received an unexpected Christmas gift in their pay envelopes amounting to an additional 5% in current wages. The increase represented the restoration of one-half of the reduction which took place in their salaries two years ago.

### Death in Bristol

Clarence N. Mallory, 54, office manager of the Sessions Foundry Company of Bristol for the past 25 years, died on December 26 at his home from a heart attack suffered during the early part of the day.

Mr. Mallory was a 32d degree Mason and a Shriner. His wife and his brother, Charles E. Mallory, both of Bristol, survive.

### Silent Glow Installs at Hockanum

The Silent Glow Oil Burner Corporation of Hartford has just completed the installation of oil burning

## HADFIELD, ROTHWELL, SOULE & COATES Certified Public Accountants

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TRUST BUILDING  
HARTFORD, CONNECTICUT

THE FIRST-STAMFORD NATIONAL  
BANK & TRUST CO. BUILDING  
STAMFORD, CONNECTICUT

equipment in the four boilers at the American Mills plant owned by the Hockanum Mills of Rockville, Conn. It is understood that the mill management decided to change from coal to oil burning equipment on account of the inadequate facilities for storage of coal.

#### Price & Lee Sixty Years in Business

The Price & Lee Company, publishers of directories, with offices in New Haven, Hartford, Springfield and Newark, New Jersey, mark this year their sixtieth anniversary in this field of service. During this period their directories have disclosed names, occupations, business activities and addresses of approximately one hundred million firms and individuals.

Starting with the Bridgeport directory, serving a community with a population of 25,000 at that time, the organization has developed until it now gives directory service to 158 communities with a combined population of 3,253,151. These directories include all of the volumes for cities and towns in Connecticut, a large number in Massachusetts and New Jersey, and several in New York state.

Wilson H. Lee, founder and president of the company, has given sixty years of continuous service to the business.

Among the many offices held by Mr. Lee during his career have been director of the New England Council, president of the New Haven Chamber of Commerce, president of the New Haven County Employers' Association and vice-president of the State Board of Agriculture. He is also president of the Wilson H. Lee Company, a large printing organization with a factory in Orange, Conn. He has likewise served for many years as chairman of the Association's agricultural committee.

#### New Speed Engine Contract for Pratt & Whitney

The Pratt & Whitney Aircraft Company, East Hartford, Connecticut, has recently received a contract for building a double super-charged motor for use in the new experimental fighting plane of the United

States Navy. If the plane is successful it will give the United States one of the fastest type of military aircraft in the world. The exact type of engine to be used has not been revealed by officials of the company.

#### Benrus Leases Part of Waterbury Plant

The Benrus Clock Company of New York and New Jersey has recently leased a part of the crystal making plant of the Waterbury Clock Company where machinery has been installed and several hundred idle employes of the Waterbury Clock Company given employment.

#### J. B. Williams Opens New Plant on St. Lawrence

The J. B. Williams Company of Canada, Ltd., controlled by the J. B. Williams Company of Glastonbury, Conn., has recently erected at La Salle, a few miles west of Montreal on the banks of the St. Lawrence River, a spacious and entirely modern plant for the manufacture of its widely known line of toilet soaps, shaving soap and cream and kindred lines of merchandise. From this new plant both the Canadian and British Empire trade will be supplied.

The new plant affords 40,000 square feet of floor space and is modern in every respect. The parent company, organized in Glastonbury in 1840, has been supplying this trade for the past fifteen years from leased factory quarters. The J. B. Williams Company's products are now used in practically every civilized country in the world.

#### Scovill Head to Winter on Riviera

Edward O. Goss, president of the Scovill Manufacturing Company of Waterbury, sailed on the SS Mauretania from New York on January 5, bound for England and the Continent. It is understood that Mr. Goss plans to pass the winter on the Riviera and nearby winter resorts.

#### Sikorsky Predicts Stratosphere Flight

Recently speaking before the New Haven session of the American Society of Mechanical Engineers, Igor



## Scovell, Wellington & Company

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H. Sikorsky, world famous Russian airplane designer, and official of the Sikorsky Aircraft Company of Bridgeport, Conn., stressed the practicality of designing ships to fly at the tremendous speed of 600 miles an hour through the stratosphere. Because of the great danger and inconvenience involved, he stated that these ships would not be used for transport work but only for army, navy or mail planes where great speed is essential.

Mr. Sikorsky also predicted that regular trans-Atlantic service would be inaugurated with luxurious airliners within the next two years. These ships, he said, could be built to cruise at a speed of 200 miles an hour and would be able to cross the Atlantic in about ten hours without the use of landing stages.

#### Childs Committed to Wethersfield

Sterry Hunt Childs, former treasurer and general manager of the Hendey Machine Company of Torrington, recently convicted of embezzlement and falsification of records of the company and sentenced to six to ten years, was removed on January 2 from the Litchfield County jail to the State Prison at Wethersfield. It is understood that his attorneys plan to file an appeal.

#### Veeder-Root Gets Large Counter Order

Veeder-Root Incorporated, with plants in Hartford and Bristol, Conn., have recently received an order for more than 1,000 counters to be used on gasoline pumps manufactured by the Wayne company of Fort Wayne, Ind. This is only one of several large orders thus far received from the same company, which manufactures a pump that automatically tabulates the gallonage of gas pumped into each motorist's gas tank as well as to compute the cost visibly so that the amount can be seen by the customer.

#### Rusco Increases Exports

N. R. Sage, export manager of the Russell Manufacturing Company of Middletown, Conn., has recently

announced increases in exports of Rusco brake linings during the year 1933. In spite of exchange control, import quotas, increased foreign competition, preferential and prohibitive duties and higher manufacturing costs under NRA, the company's 1933 business materially increased over 1932 in dollars and doubled in volume.

#### Bardo Heads N. A. M.

Clinton L. Bardo of Camden, N. J., who started life as a telegraph operator, later to become head of the New York Shipbuilding Corporation, was elected president of the National Association of Manufacturers on January 12. He succeeds Robert L. Lund of St. Louis.

In a statement following his election, he pledged the association to cooperate with other agencies in the program of national reconstruction.

#### Springfield Man Claims Invention of Noiseless Plane

John Hall of West Springfield, Mass., claims to have perfected an airplane which will fly without noise, all sound having been eliminated from both the propeller and the motor. Mr. Hall, a former automotive engineer, states that patents on his devices are pending.

John J. Murphy, United States Marshal, has been associated with Mr. Hall in the perfection of the invention.

#### Death of John M. Harmon

John M. Harmon, 77, manager of factory "M". International Silver Company, Meriden, father of Dudley Harmon of Boston, executive secretary of the New England Council, died of pneumonia at his home in Meriden on January 14. Although a silent sufferer for some time past, he had continued his work at the plant until two days previous to his death.

Born in West Suffield, Conn., a descendant of one of the oldest families in New England, Mr. Harmon came to Meriden as a boy to enter the employ of the silver company, predecessor of the International Silver

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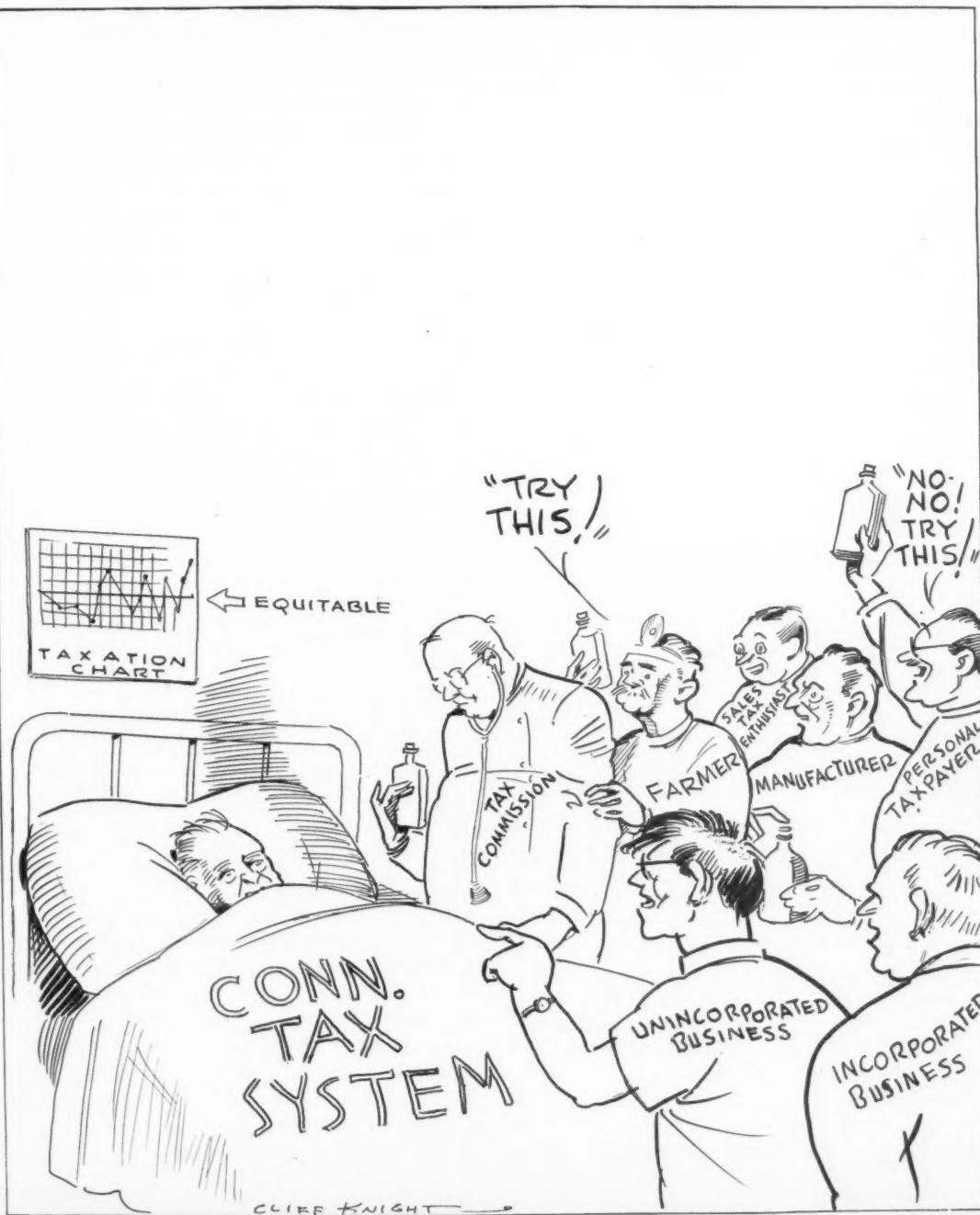
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**WATERBURY - CONNECTICUT**

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## Mac's Philosophy

UNLESS the manufacturer gets busy and hands in his formula for bettering the Connecticut tax system, somebody else will furnish one that won't recognize the fact that industry is already carrying a \$30 million burden.



Company. His services with these two companies continued for sixty-one years. Mr. Harmon's length of service with one organization is one of the longest on record and his accomplishments have been most worthy of the praise given by his associates, company officials and friends. Besides his son, Dudley Harmon, he leaves two daughters, the Misses Ruth and Hazel Harmon.

#### Bullard Gets Half Million Soviet Order

The Bullard Company of Bridgeport has just recently closed on order with the Soviet government for nearly \$500,000 worth of machine tools. The order which came through the Amtorg Trading Corporation, New York, is believed to be the first received in Connecticut since United States recognition of the Soviet Union.

According to Edward C. Bullard, vice-president, the eighteen machines on order will be delivered to tractor, automobile plants and oil fields in Russia. It is understood that a number of former employees of the company will be reemployed to expedite manufacture and delivery of this order.

#### International Acquires Control of Manning-Bowman

According to recent reports, believed to be authoritative, the International Silver Company of Meriden has acquired stock control of the Manning-Bowman Company, also of Meriden. Some years ago the International Silver Company owned control of Manning-Bowman, but about eight years ago divested itself of this control.

At the last meeting of the board of directors of the Manning-Bowman Company, the following were elected to file existing vacancies: C. R. Gardinor and E. C. Stevens, president and vice-president, respectively, of the International Silver Company; H. C. Wilcox, director of hollow ware sales of International Silver, and Herbert Reeves, assistant treasurer of International Silver.

The Manning-Bowman Company since its organization in 1864 has built up a complete business in the electrical appliance field, manufacturing a detailed line of electrical appliances, vacuum containers and metal goods.

#### Death of Henry Starr

Henry Starr, 72, for many years a manufacturer of net and twine in East Hampton, Conn., died on January 13 at his home in Moodus.

Mr. Starr had entered the net and twine making field as a young man, having established his East Hampton factory in 1896. He moved it to Baltimore

in 1905 but returned it to East Hampton in 1909. He had retired from active business in 1931.

#### Bigelow Company Building Equipment for Cos Cob Plant

The Bigelow Company of New Haven, Conn., manufacturers of water tube and fire tube steam boilers and certain allied equipment, are now manufacturing boilers and economizers for the Cos Cob power plant of the New York, New Haven & Hartford Railroad which is being entirely reconditioned to make for greater efficiency.

#### Unique Sales Service Now Offered

The Federated Sales Service, with headquarters at 537 Commonwealth Avenue, Boston, Mass., has developed during the past year and is now operating an organization for bringing together manufacturers' sales agents and manufacturers who seek better distribution of their products. The organization is believed to be the only one of its kind in existence.

#### Hartford Electric Light Develops Pension Plan

Samuel Ferguson, president of the Hartford Electric Light Company, announced at the Company's annual Christmas party held at Bushnell Memorial, that a pension plan had been worked out by the company which provides for pensions of about 75% after thirty years service, with participation by the employes. Details of the plan, it is understood, will be distributed among employes in the near future.

#### Correction

In the January issue, page 12, the name of Robert C. Buell was published in error as "Sec.-Treas.", in the "Statement of Ownership, Management, Circulation, etc." That part of the statement should have read "Charles L. Campbell, Treas., 36 Pearl St., Hartford and C. L. Eyanson, Sec. & Asst. Treas., 1605 Blvd., West Hartford."

#### Meeker Given Federal Labor Post

Royal Meeker, former statistician for Irving Fisher, was recently appointed by Secretary of Labor Perkins as a special federal payroll and factory investigator. His position is understood to be of a temporary nature and will be chiefly confined to Connecticut.

Mr. Meeker has had extensive experience in labor matters, having been a statistician in the Bureau of Labor Statistics during the Wilson Administration, and more recently prepared the statistics for the Connecticut Old Age Pension Commission.

# Departmental News

## Accounting Hints for Management

*Contributed by Hartford Chapter N. A. C. A.*

**INTERNAL CHECK.** The magnitude and complexity of present day business has developed to the point of making it impracticable and too expensive to recheck or verify every entry and every transaction that occurs. To meet this situation an expedient has been evolved, referred to as "internal check" or internal audit. The underlying principle of this expedient is simple: it is to plan and assign duties and functions to different employees so that the work or records of one serves as a check or proof against another. This arrangement not only prevents many unintentional errors of omission or commission, but also requires that if any deliberate wrongdoing exists it would involve collusion of at least two individuals to successfully conceal it.

Illustrations of the application of this plan are the following: A bookkeeper who handles customers' accounts should not have access to the cash; and vice versa, cashiers should be forbidden to make entries on the customers' accounts. Similarly, the duty of authorizing or approving credits to customers, should be entrusted to an officer, or some one not having direct handling of the accounts. The purchasing and disbursing functions should not be concentrated in the same individual; and the responsibility for disbursing wages should be entirely apart from the preparation of the payroll lists.

Supplementing the plan of internal check on activities and records, it is sometimes advisable to provide for temporary transfers of the duties of employees, without prior notice.

Concentration of power and authority, without being subject to review or audit has from time to time been revealed as a poor management policy—with heavy resultant losses to the company.

Malcolm Muir, Division Administrator of NRA, in a prepared address delivered before the New York State Society of Certified Public Accountants gave the following general outline of an accounting principle which might be acceptable in, and apply to, industrial codes; "It shall be an unfair method of competition for any producer covered by this code to sell any article at less than his cost of production provided, however, that any producer may sell at below his cost to meet the competition by any other producer who does not violate the code."

TODAY'S MANAGEMENT PROBLEMS, will be the subject of discussion at the monthly meeting of Hartford Chapter, N. A. C. A. An invitation has been extended to the members of the Manufacturers Association located in northern Connecticut to attend this meeting which will be held at the Elm Tree Inn, Farmington, on February 20, 1934.

**NEW HAVEN CHAPTER MEETING FOR FEBRUARY.** The February meeting of the New Haven Chapter, N.A.C.A., will be held at the Y.M.C. A., New Haven, Tuesday, February 27, beginning with a dinner at 6:30 p.m., the meeting starting at 7:30 p.m.

The subject of the meeting, "Advantages Under N.I.R.A." will be debated by four Chapter members. The debate method will bring out both the advantages and disadvantages of the N.I.R.A. and answer many other pertinent questions as to the effects of codes on certain of the more than 200 industries that have adopted them.

The meeting should prove unusually interesting to both manufacturing executives and industrial cost accountants.

## Foreign Trade

**FRANCE RESTORES FULL QUOTA ALLOCATIONS TO UNITED STATES.** The French Government restored on January 8, 1934, to the United States for products previously under quota restrictions the full proportionate quantities formerly allocated. At the same time, for those products, on which new quotas are established, quotas up to the full quantities imported into France from the United States during 1932, on a quarterly basis, have been allowed.

**ARGENTINA REQUIRES ADVANCE EXCHANGE PERMIT.** Under a new Argentine decree, effective January 2, applying to imports after January 15, it is necessary for importers to obtain advance exchange permits covering goods to be imported, and to present, at time of declaring import shipment at the custom house, in addition to the usual documents, their permit for exchange, and a copy of the commercial invoice visaed by an Argentine consul. The customs authorities will then mark each exchange permit at the time of presentation, and give the importer a specific certificate of importation, without which he will

not be able to obtain exchange at official rates. Merchandise imported without a prior exchange permit will continue to be despatched, but for merchandise shipped from abroad before November 10 and up to December 31, as well as for merchandise shipped after December 31 and not covered by a prior exchange permit, the Exchange Control Commission will allot exchange in accordance with the amount of exchange available after meeting fully advance exchange permits and permits pending issuance.

In cases where for various reasons it is not possible for the shipper to send the visaed commercial invoice to the Argentine importer, a sworn declaration of value will be accepted from Argentine importers until February 28, 1934.

**WARNING ON CANADIAN INVOICES.** In most cases old Canadian invoice forms with sticker attached reading, "Fair market value at time and place of shipment (See Clause 4 of Certificate of Value hereon)" has proved sufficient to satisfy the requirements of Canadian customs officers. Recently, however, a Connecticut manufacturer had one set of these forms refused by a customs official at Ontario. The authority for this refusal was said to have come from the Chief Check Clerk of the Department of Revenue at Ottawa. Therefore, in order to make absolutely certain that invoices will not be held up, exporters to Canada should use the latest printed forms.

**INTER-DEPARTMENTAL TRADE POLICY COMMITTEE TO AID EXPORTERS.** The Inter-Departmental Trade Policy Committee, appointed by President Roosevelt on December 12, and headed by George N. Peek, has for its chief objective that of "the internal adjustment of production with such other effective foreign purchasing power as may be developed by reciprocal tariffs (barter and other international agreements".

The opportunity is now afforded to American exporters of submitting directly to the Administration at Washington, through this trade policy committee, any definite cases of discrimination against American products, or practical suggestions for the information of this committee with regard to the quota system as applicable to our foreign trade. The Committee is empowered to make trade arrangements which include both industrial and agricultural products.

Because of the definite recognition at Washington of the N.F.F.T.A. (National Federation of Foreign Trade Associations) "Committee on Reciprocal Agreements," it is important that this committee be informed of an action taken with the government committee. By this means, the Committee on Reciprocal Agree-

ments will be enabled to more effectively follow up any representations made to the Inter-Departmental Trade Policy Committee and, by classification of important cases submitted, be in a stronger position to concentrate our efforts behind the claims of American foreign traders.

## Transportation

**SPLAWN APPOINTED TO I.C.C.** Dr. Walter Marshall William Splawn, a Democrat, nominated by President Roosevelt on January 8, 1934, will fill the vacancy created by expiration of the term of Ezra Brainard, Jr., of Oklahoma. No stranger to the language of regulation, Dr. Splawn taught transportation in the University of Texas, has acted as a consultant on transportation matters appearing before the Interstate Commerce Commission and has served as a member of the Texas Commission. He came to Washington as referee under the Act of 1928 providing for the settlement of war claims and was later invited by the House committee on Interstate and Foreign Commerce to serve as special counsel in directing its investigation of railroad holding companies. Under his supervision there was prepared and published a three volume work entitled "Regulation of Stock Ownership in Railroads", which constituted the report of the House committee on railroad holding companies. More recently he was a member of the Administration committee that worked last spring on the proposed legislation that became the emergency railroad transportation act of 1933 and since June has been serving as vice-chairman and executive secretary of the President's transportation committee, headed by Secretary Roper.

The appointment of Dr. Splawn has been urged by Chairman Rayburn of the House committee on Interstate and Foreign Commerce and who also sits as an advisor with the President's transportation committee, headed by Secretary Roper.

**EASTMAN MAKES FIRST REPORT.** Coordinator Eastman has just presented the first survey of subjects considered by him, containing a number of recommendations to the Interstate Commerce Commission. At the time this report was submitted the commission had not determined whether it would make the report public or hold it until it had prepared its views with regard to the Coordinator's recommendations and then make public the report and its comments, or hold both the report and comments for President Roosevelt, without anything being made public before the President sent the matter to Congress.

It has also been announced that Coordinator Eastman will submit a report to the Commission with

respect to motor transportation sometime in February. Less-carload freight will also be dealt with in a report to be made public in the near future.

**PENNSYLVANIA AND PENNROAD CORPORATION ASKS PERMISSION TO DISMISS GOVERNORS' COMPLAINT.** Both the Pennsylvania Railroad and the Pennroad Corporation filed petitions on December 26, 1933, with the Interstate Commerce Commission asking that the proceedings relative to the complaint of the New England Governors' filed with the I.C.C. on November 6, 1933, be dismissed. Attorney Warren, acting for the New England Governors, filed a reply on December 30 to the answers and motions to dismiss. In his reply, Attorney Warren states that all documentary evidence, records and facts required to show the intercorporate relationship of the Pennsylvania Railroad and the Pennroad Corporation are peculiarly and to a large extent exclusively within the control of those two defendants and therefore cannot be effectively investigated, either in advance of a hearing before the Commission, or without the cooperation of the Commission's staff which is empowered to investigate the matters brought to its attention in the complaint. He urges the Commission to undertake an investigation of the allegations set forth in the complaint by either instituting a proceeding on its own motion under Section 5 of the Interstate Commerce Act, or by itself filing a formal complaint on its own behalf pursuant to Section 11 of the Clayton Anti-Trust Act.

**NEW BUS AND TRUCK REGULATORY BILL INTRODUCED IN HOUSE.** On January 12, Honorable Samuel Rayburn, chairman of the House committee on Interstate and Foreign Commerce, introduced H. R. 6836 which proposes "to regulate the transportation of passengers and property in interstate and foreign commerce by motor carriers operating on the public highways, and for other purposes". It will be known as the "Federal Motor Carrier Act, 1934".

Hearings on the bill started January 17. Since space will not permit of a proper analysis of this forty-one page bill, members interested in it should write the Transportation Department of the Association for further information.

**NEW HAVEN TO START SALES CAMPAIGN.** President John J. Pelley of the "New Haven" declared on January 15 that the New Haven Road planned to sell itself to the public as never before. He told of the intention of the Road to bulletinize all riders, telling them of the way the Road planned to be

of service and make travelling on trains more comfortable. He told of the "New Haven's" plans to send every passenger train now in service to the repair and paint shops for reconditioning and to place in service in the very near future new stream-lined trains on the Boston-Providence run which would cut schedules in half.

It is understood that the stream-lined trains will also be placed in service on other parts of the "New Haven" territory as soon as technical difficulties, particularly high platforms of railroad stations, are rectified.

**HARTFORD CHAMBER TO HOLD FIFTH ANNUAL DINNER.** The Transportation Division of the Hartford Chamber of Commerce will hold its Fifth Annual Dinner at the Hotel Bond, Wednesday, February 7, 1934. A reception at 6:30 p.m. will precede the dinner as in former years.

Governor Cross, Mayor Joseph Watson Beach and prominent railroad and association officials are expected to be present at the dinner.

Walter S. Franklin, vice-president in charge of traffic of the Pennsylvania Railroad and Ted V. Rogers, president of the American Trucking Association, will be the chief guest speakers.

## Taxation

**FIRST TAX HEARING HELD IN JANUARY.** Joseph R. Ensign, president of the Ensign-Bickford Company, Simsbury, Connecticut, presented the statement of the Association's Finance and Taxation Committee at the first public hearing of the special State Tax Commission, held in the Old Senate Chamber, State Capitol, Thursday, January 18. Although the hearing was held under the auspices of the subcommittee on merchants' and manufacturers' taxes, headed by George T. Kimball, president of the American Hardware Corporation, all seven members of the Commission heard the testimony from the bench.

As an indication of Connecticut industry's important economic position, the Association's statement pointed out among other things, that Connecticut industries normally employ 21% of the state's adult population while in the United States as a whole only 10% of the population find employment in factories. Further, it stressed industry's terrific tax burden estimated even in these subnormal times at \$30 million. The entire statement, which was necessarily presented in general terms because of the still widely divergent views of Connecticut manufacturers on state and local taxation matters, closed with a request for an adjourned hearing at which facts to be gathered at sectional meet-

ings, could be presented. Although the request for an adjourned hearing was not acted upon finally because of the desire of the present chairman to confer with other members of the commission, it is believed that it will be granted. In any event, a brief showing the consolidated opinion of manufacturers as combined from opinions expressed at sectional taxation meetings will be filed before the committee starts to write its report for the 1935 Connecticut General Assembly.

Only specific recommendations to be offered at this first tax hearing were advanced by Howell Cheney, representing Cheney Brothers. He suggested using instead of the Underwood ruling on valuation (reproduction cost, less depreciation) "reproduction value, less depreciation, less obsolescence, and less corrections for non-use". He also advocated uniform assessment administered by an advisory expert acting under the State Tax Commissioner.

#### Selecting Commission Sales Representatives

*(Continued from page 5)*

And here is where the question of references comes in. Ask for and get references by all means. But don't place too much importance on them. It's a poor sales representative who cannot dig up some good letters of recommendation. Then too, don't forget that very few manufacturers will want to say a man is no good for various reasons. There are so many other ways of checking up a man's ability and other qualifications that we often do not even ask for references.

In connection with the above, it is well to consider the character of the concerns the man you are considering handles. It is not going to help your sales much if all the other lines your representatives sell are in the "cat and dog" class.

An important factor to take into consideration as the next step is the length of time that the man in question has represented the concerns he now has. The sale of very fine lines has been stifled, if not killed, because the man handling them has the reputation of changing his lines so often that the buyers don't care to bother with him. This may not appear to be an important factor, but we assure you that a real number of manufacturers have found it to be so.

Then there are a number of other factors such as personal habits, regularity with which a man covers his territory, the number of years he has been a manufacturer's agent and the number of years he has covered his present territory. All of these are important as well as several others. As Andy Brown says—"check and double check" if you would be successful with commission sales representatives.

If you will satisfy yourself on the factors previously outlined you at least have a seventy-five percent better average in your selection of your sales representatives.

Now, as to the advice part which, as it is free, will probably be disregarded as it is so often in actual practice. You will recall that in the early part of this article, reference was made to the thoughts of seventy-five percent of the manufacturers when selecting sales representatives. It is on this point that we would offer some advice.

Give serious consideration to the sales representative's side of your proposition. Do not try to chisel him down to the lowest commission on which you can get him to take the line. If there is any place a manufacturer can afford to loosen up it is in the matter of the size of the commission he pays. We know of two concerns making practically the same products. Both use commission sales representatives. One does an increasing business every year and is well satisfied with the most of his men. The other swears that there is no such thing as a good commission sales representative. The first manufacturer pays a 15% commission and the second pays 8% for jobber business and 10% for retailer business.

The first manufacturer mentioned has the right attitude toward his sales representatives. He considers them a part of his organization and treats them as he would like to be treated. He writes them at least once a week, letters of encouragement, letters of advice, letters of information and gossipy letters regarding the work of other men in the force, and about out-of-the-ordinary orders that have been taken. His men cannot help but catch his spirit and respond with the only thing that counts—hard work and orders.

The second manufacturer finds it hard to keep his men posted even on price changes or other real important matters. He complains because his men don't send in reports of calls or even write him "weather" reports. And his orders are few and far between. We regret to say that the second manufacturer is just the average and not the exception.

A good commission sales representative thinks and talks in terms of "my factory". He considers, and rightly so, that he is a part of your company and expects to be treated as such. And when, after months and years of hard work he has built up a good trade on your line don't take it away from him because he is making too much money and substitute a salaried salesman, for if you do, you are riding for a fall.

If you will go at it right, study the necessary factors and treat your men right, you can build a sales force of commission sales representatives of which you can justly be proud.



### A Fortnight In Washington

*Continued from page 2*

interference with their spending plans—and apparently convinced the President of their logic. Comptroller-General McCarl is now the only watchdog of emergency spending, but has no power except to see that funds are not spent illegally. The outcome of this tilt was victory for the liberals.

**St. Lawrence Seaway.** Strong opposition from the South and Far West is now believed sufficient to prevent ratification of the Great Lakes-St. Lawrence project.

**Tugwell Bill.** Dr. Copeland has successfully extracted the teeth from the Tugwell Food and Drug bill and there doesn't seem to be any group clever enough to reinsert them against the present outward indifference of the President and the strong desire of Congress to swat professors.

**NRA—National.** More than 225, including the major industries, are now working under codes. There still remain an estimated 400 to 500 more to run through the hearing mill and under the President's pen, unless the industries employ less than 50,000 in which case General Johnson may finally approve.

Most obvious complaints now receiving attention of NRA are: lack of adequate enforcement of codes; unwarranted price increases; labor balking at wage limits fixed in codes asking for shorter hours and wage maximums for each specific job; codes of one industry that greatly interfere with the rights of another coded industry; for instance oil code provision interfering with the premium business of the clock and other industries; and protection for the small manufacturer.

Machinery for enforcing codes (See C. I. for Jan.) is practically complete and believed workable. In price hearings, held 2nd week in January, the defense of the 28 industries involved was that amount of price upping was warranted by previous "distress prices". The line of demarcation between permissible price practices and the forbidden is so fine that even Donald R. Richberg, counsel for NRA, finds it very difficult to find it. At best the price controversy seems destined to be the most stubborn of all complaints to measure with any standard yardstick, especially with 50 kinds of price maintenance machinery included in over 200 codes already approved. Nothing has been done to pacify labor's demand for minimums on each job. Territorial settlements on wages appear to be heading straight for the courts. The equitable dovetailing of code provisions is headed for long controversy with

apparently nothing but "friendly cooperation" as the enforcing agent. Already the smaller business units in banking and electrical manufacturing are receiving the attention of General Johnson.

**NRA—State.** William S. Meany of Greenwich was appointed Connecticut Chairman of the National Emergency Council on January 12, his salary to be between \$4,000 and \$6,000. He will establish his office in the Federal Building, Hartford, and will have a staff paid by the Federal Government, consisting of an office manager, a legal advisor, a labor advisor and such clerical force as may be necessary. He will be responsible for compliance with NRA and A.A.A. codes and will be under the supervision of General Johnson insofar as NRA compliance is concerned.

In what is believed to be the first suit of its kind directed at NRA, five Connecticut garment manufacturers through their counsel David P. Siegel of New York and Attorney A. S. Albrecht of Hartford, charged in U. S. District Court in Connecticut on January 15, that the minimum wage provision in the code for their industry is discriminatory because of requiring higher wages in Connecticut than in the Baltimore area and violates their constitutional rights. Although the plaintiffs' witnesses were on hand for trial, Judge Thomas continued the case to January 26, at the request of defense Counsel George H. Cohen, District Attorney and Hammond E. Chaffetz, special assistant to the Attorney General.

Attorney Cohen sought in one motion to limit the scope of the injunction suit brought by the manufacturers asking that the name of General Hugh S. Johnson and other NRA officials be stricken from the list of defendants. He claimed the court had no jurisdiction over NRA officials outside of Connecticut. Contending in a second motion that a section of the manufacturers' complaint which would enjoin code authorities from refusing to issue NRA labels, was "surplusage" since no Connecticut official could issue them, attorney Cohen asked that that section be struck out.

**Translation—New Deal Alphabet.** Believing that few manufacturers or business men generally have a complete grasp of the New Deal call letters they are hereinafter set forth in brief.

**A.A.A.**—Agricultural Adjustment Administration; created to reduce crop surpluses; to pay bonus for reduction of crop planting, etc.; and to control manufacture and marketing of farm products.

**C.C.C.**—Commodity Credit Corporation and Civilian Conservation Corps, two separate organizations

with same initials. First created to make loans on farm and other commodities from a fund of \$250 million made available by R.F.C.

C.W.A.—Civil Works Administration; created in November 1933 to give employment quickly to 4 million men and women on useful improvements of a minor character; a pinch hitter for P.W.A. which had been lagging.

C.S.B.—Central Statistical Board, established by executive order in July 1933; an inter-departmental group which gives advice only on elimination of duplication, fields to be covered and governmental economies.

E.H.F.A.—Electric Home & Farm Authority, Inc.; organized with capital stock of \$1 million from P.W.A. funds to increase household use of electricity in the Tennessee Valley. R.F.C. to furnish \$10 million for consumer credit extension on purchase of electrical appliances.

F.A.C.A.—Federal Alcohol Control Administration; a regulating agency created by executive order to control alcoholic beverages until Congress can provide new law setting up a permanent regulating agency.

F.E.H.C.—Federal Emergency Housing Corporation; chartered in November 1933 with an allotment of \$100 million of P.W.A. funds to engage in low-cost housing program and slum clearance.

F.S.H.C.—Federal Subsistence Homesteads Corporation, with an appropriation of \$25 million from Congress, is financing building and planning of homestead communities as demonstration projects to pave the way for better housing on easy terms for unemployed or partially employed workers.

F.C.A.—Farm Credit Administration; organized in May 1933 by executive order to consolidate farm financing institutions—Federal Land Banks, Federal Intermediate Credit Bank, and the Administration of the Agricultural Marketing Act.

F.D.I.C.—Federal Deposit Insurance Corporation; created under the Glass-Steagall Act in June 1933 for protection of bank deposits up to \$2500 starting January 1, 1934, in banks which are members of insurance fund; to increase size of insurable accounts on July 1, 1934.

F.H.L.B.B.—Federal Home Loan Bank Board; created July 1932 to establish a permanent system of 12 Home Loan Banks—originally intended to aid home owners and home construction but actually became a secondary federal reserve for discounting home mortgages of associations, insurance companies and savings banks.

F.E.R.A.—Federal Emergency Relief Administration; created in May 1933 with a \$500 million appropriation to distribute direct relief to states and municipalities. Half of fund contingent upon states putting up \$3 for every \$1 of the F.E.R.A. fund.

H.O.L.C.—Home Owners Loan Corporation; created in June 1933; authorized to issue \$2 billion of 18 year 4% bonds with interest but not principal guaranteed for providing direct loans to home owners because of failure of Home Loan Bank to accomplish this.

N.R.A.—National Recovery Administration; created under the authority of N.I.R.A. (National Industrial Recovery Act) to administer that act.

N.E.C.—National Emergency Council; created by executive order December 1933; to have charge of local compliance problems under NRA codes and to advise and direct the general functions of the major recovery units.

N.L.B.—National Labor Board; created August 1933, to handle labor disputes which threatened or had suspended work. Has 18 divisional offices; confusion has existed between the function of this board, state recovery committees and compliance boards.

N.P.B.—National Planning Board; appointed by the President last summer to stimulate and coordinate city planning; P.W.A. furnished \$250 million to send technical advisors into states to develop long range projects.

O.F.C.T.—Office of Federal Coordinator of Transportation—Joseph B. Eastman; created by Federal Emergency Railroad Transportation Act, approved June 1933, for 1 year period.

P.W.A.—Public Works Administration; set up to administer public works program.

R.F.C.—Reconstruction Finance Corporation; created as a government loan agency under the Hoover administration.

S.A.B.—Science Advisory Board; created by executive order last July with group of 9 distinguished scientists and engineers as members; advises President and government agencies on all scientific work both of an emergency and long time nature.

S.R.C.—Federal Surplus Relief Corporation; founded to dispose of surplus farm products through distribution to the needy.

T.V.A.—Tennessee Valley Authority; created by Congress to develop power and other national resources of the Tennessee Valley in order to measure the effectiveness of government operation and ownership of utilities.

# HOW'S BUSINESS

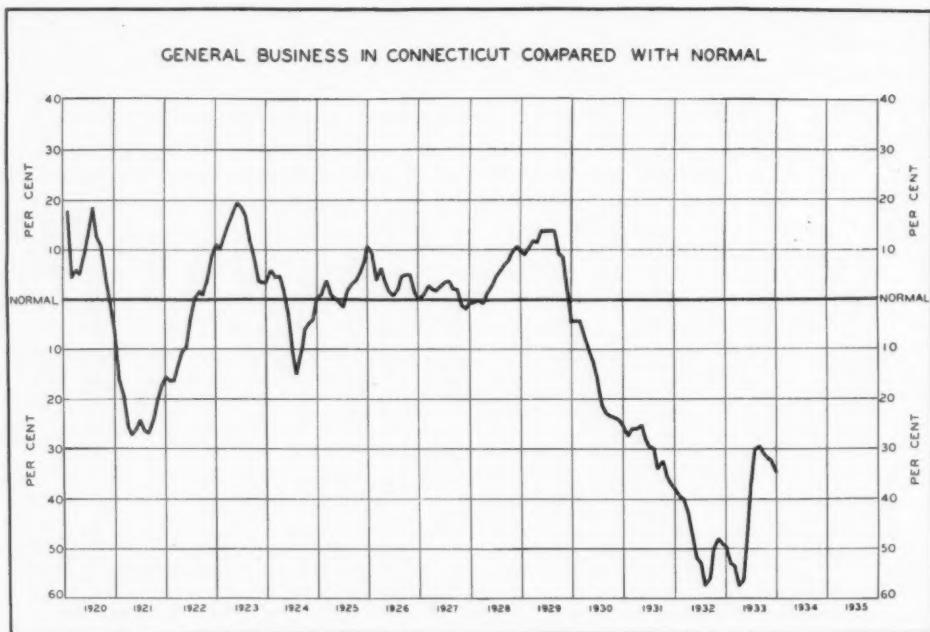
H.R.MICK

## General Summary

General business activity in Connecticut during December continued to be dominated by widely varying trends in different industries. As a result of an unusually severe but probably temporary reduction of activity in two industries the general index of Connecticut business activity declined to 34.8% below normal compared with 32.4% below in November. Cotton

month. The total number of unemployed persons was considerably reduced due to the seasonal expansion in retail trade and increased employment on C.W.A. and P.W.A. projects. Freight car-loadings during the first thirteen days of January were seasonally larger than the daily average for December.

Contrary to the trend in Connecticut, general business activity in the United States increased moderately



of output under the code for the industry, and factory employment in Waterbury declined some 10% carrying the index of employment for Waterbury and Hartford down 4 points to 18% below normal. The number of man-hours worked in factories and bank debits to individual accounts were moderately lower than a month earlier. On the other hand, freight car-loadings originating at fourteen Connecticut stations and metal tonnage carried by the New Haven Road were both substantially higher than in the previous textile mill activity fell approximately 25 points compared with November due to the voluntary restriction

in December due to substantial gains in steel ingot production, lumber production and freight car-loadings and to smaller gains in pig-iron production, electric power production and automobile production. Cotton consumption declined abruptly as a result of the restriction in production mentioned above. The weekly business index of the New York Times moved irregularly upward during December and the first half of January. Steel ingot production slumped during the first week of January but has expanded seasonally since then. Automobile manufacturers have increased their output sharply and freight car-loadings have been maintained

at a relatively high level. Reports from the cotton textile industry also indicate improvement.

According to the index compiled by the U. S. Bureau of Labor Statistics, wholesale prices on January 13 were 1% higher than four weeks earlier and equal to the peak reached in 1933. Compared with the price on December 16, farm products increased 5% during the ensuing four weeks, food prices rose 2%, hides and leather products advanced 2% and no change occurred in textile products, fuels, metals, building materials, chemicals and drugs and housefurnishing goods. The group of miscellaneous products increased approximately 1%. Retail prices, measured by the cost of living index of the National Industrial Conference Board, declined 0.6% in December following a drop of 0.3% in November. The principal cause of the decline was the seasonal drop in the index of food prices.

#### Financial

The effect of the reduction of the quantity of gold in the dollar not only increases the dollar value of the present stock of gold but is believed to be the equivalent of a substantial increase in gold production. In the past, periods of rapid increases in the supply of gold have been periods of rising prices and periods of rising prices have been periods of prosperity subject to relatively short depressions. On the other hand, falling prices caused by insufficient supplies of new gold usually bring long and extended depressions with only short intervals of prosperity.

Failures in Connecticut during the four weeks ended January 13 and net liabilities of failures decreased 34% and 39% respectively, compared with the corresponding period a year ago. Real estate sales were 12% fewer in number and the total value of mortgage loans, because of one abnormally large item last year, declined 16%.

#### Construction

During December and early January, new building experienced a seasonal decrease in activity in Connecticut. However, several large projects for which aid is being sought from the Public Works Administration are pending.

Building activity in the United States expanded further in December due to a further increase in public work projects. The total value of building contracts awarded, as reported by the F. W. Dodge Corporation, was, on an average daily basis, 38% higher than in November and 165% above the figure of a year ago. Seasonally corrected, new building in December was the highest since July 1931. Although public works comprised the bulk of the awards in December, residential building and other non-residential building increased and indicated a continuance of the expansion in the building cycle itself.

#### Labor and Industry

Manufacturing activity in Connecticut factories was contracted more than seasonally in December, the index of the number of man-hours worked falling to 35.9% below normal against —33.4% a month earlier. The index of factory employment declined to 18% below normal compared with —14.2% in November. Activity in Bristol factories was slightly above the preceding month; New Britain experienced a seasonal decrease, but the falling off in Bridgeport and New Haven was somewhat larger than seasonal. Employment in Hartford factories in December increased over November. In Torrington, employment was moderately lower and in Waterbury a decrease of 10% took place. However, a new industry was established in Waterbury which provided employment for some 200 people. For the year 1933 as a whole, all reporting cities except New Haven showed substantial increases in the number of man-hours worked compared with 1932. Meriden factories reported an increase of 25%, New Britain 21%, Bristol 19% and Bridgeport 11%.

#### Trade

Retail trade in the United States increased in December and on a seasonally adjusted daily average basis was 4½% better than in November and 12% higher than a year ago. Reports for January indicate that somewhat less than the usual seasonal let-down has occurred.

#### Transportation

The December index of freight car-loadings originating in Connecticut stood at 25.7% below normal compared with 29.6% below in November. Car-loadings of building materials were heavy but loadings of automobiles, bituminous coal and merchandise in less than car-load lots were relatively light.

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## — Service Section —

On account of space limitations, the material and used equipment items offered for sale by Association members have not been classified by sizes or usage best adapted. Full information will be given on receipt of inquiry. Listing service free to member concerns.

### ●● Materials for Sale

COLD rolled steel in coils and in squares, condulets and fittings, remnants of covering materials—velours, velvets, mohair, tapestries, denims, chintzes, and cretonnes, semi-finished and castellated U. S. S. nuts, pulleys, flat and crown face-steel and cast-iron; new shaft hangers, brass wire, brass rods, aluminum tubing, cold drawn steel—mostly hex; miscellaneous lot of material used in the manufacture of molded rubber parts and flooring, knife switches—new and many sizes; carload C. I. drop bases, No. 1025 steel in sizes 4' x 2' and 6' x 2'; lead pipe, lead sheet, acid proof pipe fittings, 124 bars screw stock varying thicknesses and lengths, white absorbent tissue process from cotton, rotary convertor, colors and dyes—large variety, lacquers—several hundred gallons in assorted colors; and soft anneal copper with high silver content in rolls. J. H. Williams wrenches in assorted sizes.

### ●● Equipment for Sale

ACCUMULATORS, annunciators, baskets, beaders, beamers, bearings, belt stretchers, blowers, boilers, braiders, bronze runners, cans, cards, woolen; car loaders, chain, chairs, champfer, clocks, time recorders; clock systems, colors and dyes, compressors, condulets, convertors, conveyors, cookers, cooking utensils, doublers, draftsmen's table, drop hammers, drops, board; drums, drying racks, dyes, engines, evaporators, extractors or percolators, fans, filtering carbon, folders, forming rolls, frames, furnaces, gears, generators, grinders, grindstones. Grinding wheels, guiders, headers, lamp shades, lathes, lifters, looms, De Laski circular; machines, automatic; machines, calculating; machines, compressing; machines, dieing; machines, drilling; machines, filing; machines, filling; machines, folding; machines, knitting; machines, mercerizing; machines, milling; machines, pipe-cutting and threading; machines, pleating down; machines, riveting; machines, screw; machines, threading; machines, tongue and groove; machines, washing; mercerizer equipment; millers, mixers, mills, mills rubber; mixing rolls, motors, oil circuits; oven drawers, paints and lacquers; panels, planers, plungers, pointers, presses, profilers, pulley drives, pumps, reamers, receivers, rheostats, safe cabinets, saws, scales, screens, seamers, shapers, shears, spindles, spinning mules, steam tables, steam warmers, stitcher, 192 monitor corner box switches, tables, tanks, toilet equipment, trucks, ash can; tube closers; wire, wire screw and yarders.

### ●● For Sale or Rent

FOR SALE: Small plant in St. Johns, Quebec, Canada, with two main buildings of 4,680 square feet and 7,178 square feet respectively, and five other smaller buildings with a total floor space of 13,451 square feet. The plant is conveniently situated on a siding of the Canadian National Railway with tracks of the Canadian Pacific on the opposite side of the plant, but with no siding. Real estate holding is 6½ acres. Plant now owned by Connecticut manufacturer. For further details, Address S. E. 70.

FOR RENT: Private office or individual desk space with competent stenographic service is available in room 908, Corner of Park Avenue and 40th Street, New York City. This exceptional opportunity is presented by the Charles Parker Company of Meriden, Conn., because of having removed executive headquarters from its New York City office to Meriden. Address inquiries either to Rental Opportunity, CONNECTICUT INDUSTRY, or to Wm. Winthrop Wright, Vice-President, The Charles Parker Co., 101 Park Ave., New York.

Call or write for many other listings for sale, rent or lease in Connecticut. If our listings do not meet your requirements a thorough search will be made. Address Service Section, *Connecticut Industry*.

### ●● Wanted to Buy

WANTED TO BUY: A Connecticut manufacturer now desiring to make new product will purchase the present tools of a manufacturer who has been producing a line of 110-volt switches. Interested parties should write for details addressing S. E. 71.

WANTED TO SELL: Bargains in automotive replacement parts, many being offered at half the cost of production. Also a number of Martian Drill Protectors, for protecting drills against breaking. Have a large lot of assorted sizes of fiber tubing and rods, grey bone and black, well seasoned and in first class condition. Address S. E. 72.

WANTED TO BUY, the following reconditioned 110 volt D. C. motors: 35—½ H.P.; 4—½ H.P.; 59—1 H.P.; 34—2 H.P.; 14—3 H.P.; 25—5 H.P.; 2—7½ H.P.; 6—10 H.P.; 2—20 H.P.; 1—30 H.P. Address S. E. 73.

### ●● Employment

ELECTRICIAN. A recent graduate of electrical school who has had approximately four years experience in general maintenance work desires a job with a Connecticut manufacturer in similar line, but for the present will accept any type of work. Address P. W. 242.

SALES EXECUTIVE for Connecticut manufacturer has a brother living in mid-South who is interested in getting lines to sell on part salary and part commission basis. Appointment arranged by addressing P. W. 246.

FACTORY MANAGER. Man who has had more than 25 years experience as works and factory manager of three large plants and who also has done a large amount of development work, having many patents to his credit, now desires to locate in a similar capacity with an eastern manufacturer because of merger of last employers. Excellent references. Address P. W. 247 E. R. C.

WRITER AND ILLUSTRATOR. Employe of weekly newspaper discontinuing publication offers his services at a reasonable salary to an advertising or illustrating house, newspaper or house organ. Is experienced in writing, laying out and illustrating newspaper and house organ advertisements. Has successfully conducted own studio, making drawings for well established agencies and own contracts. Has had editorial experience and can handle various types of newspaper and magazine copy. Address P. W. 249.

COLLEGE GRADUATE, majored in mathematics and physics, has wide theoretical knowledge and two years' practical experience, desires apprentice position at minimum wage. Address P. W. 250.

PURCHASING AGENT, who has had considerable experience outside of purchasing work in factory cost accounting, estimating and time study. 14 years of purchasing experience with two sizeable Connecticut concerns. U. S. citizen, Scotch descent, having spent six years in the Black Watch Regiment from 1914 to 1920. Now seeking connection because of recent drastic curtailment by his last employer. Best of references furnished by all employers. Address P. W. 251.

PRIVATE SECRETARY. Expert stenographer and assistant to busy executive, experienced in transportation and public utilities matters for 14 years and 2 years respectively, now desires similar position because of retrenchment program of last employer. Prefers position with public utilities company but will accept any reasonable offer in other lines of business. References furnished and interviews arranged by addressing P. W. 252.



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